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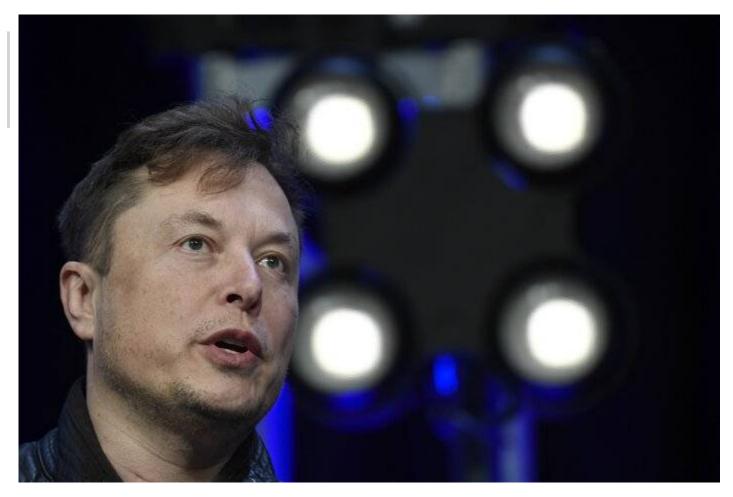
Analysis

# Twitter Tumult Shows Risk Of Overlooking Pandemic's Impact

By Anne Cullen · Nov 18, 2022, 9:17 PM EST · Listen to article

#### Case 1:23-cv-00441-CFC Document 21-4 Filed 11/21/22 Page 3 of 68 PageID #: 377

Elon Musk's <u>Twitter</u> leadership has already spawned three employment lawsuits, a labor law complaint and a slew of resignations, a reaction experts said illustrates what other employers will likely face if they try to revert to pre-pandemic norms of inflexible hours and mandatory in-person attendance.



The backlash to Elon Musk's Twitter leadership is a lesson for employers about what they should expect if they ignore the lessons COVID-19 imparted about the importance of flexibility and compassion in workplace policies, experts say. (AP Photo/Susan Walsh)

Since Musk's chaotic takeover of the social media platform in late October, the company has been hit with allegations that leadership illegally made sweeping personnel cuts without giving those laid off any advance notice, and that Musk's demand for "high intensity" work from the remaining employees is discriminatory against people with disabilities.

One employee also filed a <u>National Labor Relations Board</u> charge alleging he was among the first laid off in retaliation for taking steps to ensure his colleagues could retain access to important benefits documents in the event of personnel cuts.

And on Thursday, an ultimatum Musk gave the remaining Twitter workforce to either "be extremely hardcore" and work long hours or resign with severance reportedly sparked a wave of departures.

Employment law experts said the backlash is a lesson for company leaders about what they should expect if they ignore the lessons COVID-19 imparted about the importance of flexibility and compassion in workplace policies.

"At the heart of this is a clash between the notion of old-fashioned work and how we work in a modern world," said Walter M. Foster, a member of the labor and employment group at <u>Eckert Seamans Cherin & Mellott LLC who</u> represents employers. "It really does seem to be this test of a CEO's desire to return to a work period that has now long since elapsed after COVID."

One of the first lawsuits Twitter faced after Musk took command alleged violations of the federal Worker Adjustment and Retraining Notification Act, which makes it illegal for companies with at least 100 employees to fire 50 or more people in a short time frame without giving them two months' notice.

Musk swiftly sacked thousands of Twitter's roughly 7,500 employees shortly after taking the helm. Five employees who were among those laid off launched a proposed class suit under the WARN Act on Nov. 3 — just a week after the embattled tycoon officially bought Twitter — claiming they only knew they had lost their jobs when they were suddenly locked out of their company accounts.

They were provided notice the next day, according to their complaint.

Another fired Twitter employee leveled similar accusations in a second WARN Act suit filed Wednesday on behalf of a proposed class of workers who were employed by Twitter through payroll administration company <u>Magnit</u>.

Ex-Twitter software engineer Emmanuel Cornet, who was among the group of five workers behind the first WARN Act case, also <u>filed an unfair labor practice charge</u> Nov. 7. He accused the social media company of firing him for helping his colleagues retain information about their employment benefits — like stock options, performance reviews and other human resource documents — amid mass layoff rumors.

And a former engineering manager for Twitter who said his past bout with cancer makes him vulnerable to COVID-19 <u>filed a lawsuit Wednesday</u> alleging Musk's demands of long hours and an immediate return to in-person work violated the Americans with Disabilities Act, which bars discrimination against disabled workers.

In stark contrast to what Twitter's prior leadership expected, Musk required workers to clock 12-hour days, seven days a week and in the office, or else see their positions terminated, according to the proposed class suit by former manager Dmitry Borodaenko.

The ADA also mandates that employers try to accommodate employees' physical or mental limitations, but Borodaenko said he was swiftly terminated after seeking an exception to Musk's in-person policies.

All of these legal battles were launched by former Massachusetts attorney general candidate Shannon Liss-Riordan, who told Law360 that Musk's actions atop Twitter are unprecedented.

"I have never in my nearly quarter of a century representing workers seen anything quite like this," Liss-Riordan said. "This man is pulling apart a company in a way that I have never seen, and in doing that, he is disregarding workers' rights, he is ignoring workers' protections, and it's not clear why he thinks any of this is going to be helping his business going forward."

Twitter's staff numbers are dwindling further following Musk's ultimatum giving remaining employees the choice between being "extremely hardcore" and "working long hours at high intensity," or resigning and receiving three months' severance pay.

The deadline to respond was Thursday, and many resignations appeared to have followed. Upward of 1,000 tweets have been posted since Thursday night, including #LoveWhereYouWorked, a hashtag that resigning Twitter employees have been using to announce their departures.

Liss-Riordan said Musk's ultimatum created another wave of turbulence in Twitter's tumultuous month, and she had heard from hundreds of employees reaching out for counsel.

"I had hundreds of employees reaching out to us for advice about what to do," she said. "So many people were asking for advice, we circulated a Zoom link, and when I went into that meeting, there were hundreds of Twitter employees there."

The legal battles and the latest surge of resignations demonstrate that Musk's callous approach to layoffs and his employees' work-life balance doesn't jibe with what is now expected from employers, experts said.

#### 

"One of the driving themes behind these cases is this conflict of how you see people working in today's world, and how Musk has clearly not embraced the new way," Foster of Eckert Seamans said. "Elon Musk and others are trying to turn back the clock, because they think that works better, but the time for that has passed, and people are going to vote with their feet."

Outten & Golden LLP partner Jennifer Schwartz, who represents workers, added that Musk's requirement that his employees physically come into the office and work 12-hour days is not only discriminatory against workers with physical or mental impairments, but also those with families or other caregiving responsibilities.

"This idea that people are going to devote their entire lives to their job contradicts the new philosophy of workers, which is, 'I need to have a balanced life,' and it effectively discriminates against families, people who are caregivers," Schwartz said. "There's a very small pool of employees who could even have the possibility of comporting with these dictates."

While the turmoil Musk has created at Twitter may be an extreme example, attorneys said it still should give pause to the many employers that are trying to recall workers from remote arrangements.

"We have clients who are like Elon Musk, and think everybody should come back into the office, but you can't make everyone come back into the office from a legal perspective," Foster said.

Aside from the potential legal liability, experts said a less stringent approach to remote work and consideration of workers' lives outside the office also are good for morale and retention, and make for better, more productive workers.

"Having a balanced life, within boundaries, in the long run makes for better workers," Schwartz said. "People who are miserable at their job, and are being emotionally torn between seeing their children go to bed at night or do their work, over the long haul, are not going to be effective, happy employees."

However, Liss-Riordan added that the Twitter backlash doesn't mean employers aren't allowed to challenge their workers or enforce reasonable rules.

"Employers can demand a lot of their employees; we're not saying people have a right to have

an easy time at their job, but there's such a thing as going too far," Liss-Riordan said. "There's got to be some balance here."

--Additional reporting by Parker Purifoy, Grace Elletson, Irene Spezzamonte and Jeff Montgomery. Editing by Abbie Sarfo.

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# Laid-off Twitter employees claim in a lawsuit that the company 'persuaded' them not to look for new jobs in the run-up to Elon Musk's takeover

Grace Dean Nov 11, 2022, 11:09 AM





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Tesla CEO Elon Musk. Chris Saucedo/Getty Images for SXSW

Laid-off employees claim Twitter "persuaded" them not to job hunt in the runup to its acquisition.

They said Twitter responded to staff's concerns about layoffs by reassuring them about severance packages.

But after being laid off, they weren't given the severance promised, they said in legal filings.

#### Case 1:23-cv-00441-CFC Document 21-4 Filed 11/21/22 Page 12 of 68 PageID #: 386

Laid-off Twitter employees have claimed that the company persuaded them not to look for new jobs in the period leading up to Elon Musk's \$44 billion purchase of the company.

Just a week after he took ownership of Twitter on October 27, Musk laid off more than 1,000 staff as part of his plan to halve the company's workforce. Five of those laid off <u>filed a classaction lawsuit</u> against Twitter on November 3, accusing Twitter of breach of contract and violating the WARN Act, which requires companies to alert workers prior to mass layoffs.

An emergency motion added to the lawsuit on Wednesday alleged that, <u>by promising that the workers would get at least as good a severance package if laid off after the acquisition</u>, Twitter "had persuaded employees not to seek or obtain employment elsewhere during the uncertain time period prior to Musk's purchase of the company."

In matching declarations submitted by <u>Emmanuel Cornet</u>, who had worked at Twitter as a staff software engineer, and Justine de Caires and Jessica Pan, both senior software engineers, on Wednesday, they claimed that "Twitter's management and human resources officials made repeated promises orally and in writing in an apparent effort to assuage the employees' concerns and prevent them from leaving the company and seeking other employment."

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Case 1:23-cv-00441-CFC Document 21-4 Filed 11/21/22 Page 13 of 68 PageID #: 387 about mass layoffs," the former workers said.

"One of the promises that Twitter's management made was that, if there were layoffs following the purchase, employees being laid off would receive severance and benefits that were at least as favorable as the severance and benefits that Twitter had previously provided to employees," they wrote.

They said that the promise was made "repeatedly" by Twitter's management during all-hands meetings and also featured in both the merger agreement and an FAQ document provided to workers, a copy of which was attached to Wednesday's filing.

"I relied on this promise in deciding not to seek other employment during this uncertain period prior to Musk's purchase of the company, and I believe many other employees did as well, based on my conversations with them," Cornet, de Caires, and Pan's matching statements read.

Cornet said that he did not receive any severance package, while de Caires and Pan both attached their layoff emails from November 4, which said they would remain employed by the company until January 4 on full salary but wouldn't have to work.

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In its FAQs about the acquisition, Twitter had said that "in the event of a position elimination," staff would generally receive two months' base salary and a pro-rated performance bonus plan compensation at target. "Given Musk's background and his well-documented history of refusing to follow the rules or the law, we have to assume that he is preparing to pressure employees to take a deal that shortchanges them before they have the opportunity to learn whether they are entitled to more," Shannon Liss-Riordan, the plaintiffs' attorney, told Insider in a statement. "We encourage employees not to sign the release that Twitter has said it is about to distribute to them." Read next

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# Elon Musk failed to give laid-off Twitter employees previously promised severance packages, lawsuit alleges

Matthew Loh Nov 11, 2022, 1:57 AM





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Elon Musk took over Twitter on October 27. Muhammed Selim Korkutata / Anadolu Agency

Laid-off Twitter employees are suing the company saying they were promised a range of severance benefits.

The lawsuit says they were assured these benefits would hold after Elon Musk bought Twitter.

However, recently laid-off employees say Twitter reneged on the promised severance pay.

Laid-off Twitter employees suing the social media platform say the company — now owned

Case 1:23-cv-00441-CFC Document 21-4 Filed 11/21/22 Page 19 of 68 PageID #: 393 Five employees — who <u>filed a class-action suit against Twitter on November 1</u> — now say they were promised at least two month's severance pay, bonus plan compensation, cash value of vested Twitter equity, and healthcare coverage, but these promises were not kept when Musk laid off about 3,700 staffers on November 4.

The fresh allegations were made in updated court filings to the San Francisco federal court on Tuesday, which were also seen by Insider.

According to the Tuesday update, Twitter's management previously said at several all-hands meetings, wrote in a recent FAQ, and <u>stated in a merger agreement</u> that employees would get at least the equivalent of the originally promised package if they were laid off after Musk acquired the company.

Twitter employees "reasonably relied" on this promise in the weeks leading up to Musk's purchase and chose not to look for jobs elsewhere, the lawsuit shows.

However, Twitter later told employees affected by November's mass layoffs that they would only get one month's base pay after their termination, the updated lawsuit alleged.

This claim appears to contrast a <u>November 4 tweet from Musk</u>, which said that all exited employees were offered three months' severance.



## Musk has worked every day to find new ways to screw over Twitter staff, attorney says

In response to queries from Insider, Shannon Liss-Riordan — the attorney who filed the lawsuit — said Musk is counting an extra two months of severance pay because some workers were told on November 4 that they would be laid off in two months' time.

"This pay is not severance pay," Liss-Riordan wrote in the lawsuit, accusing Musk of using this period of payment only to comply with federal and state labor laws. The WARN Act, or the Worker Adjustment and Retraining Notification Act, is a federal law that requires businesses with 100 or more employees to give 60 days advance notice of mass layoffs or other work disruptions.

Liss-Riordan <u>filed an emergency motion</u> on behalf of the five employees on Wednesday evening. It seeks to compel Twitter to tell laid-off employees about the pending lawsuit before it can reach any separation agreements with workers.

The motion accused Twitter of trying to get employees to release all claims on their compensation benefits in exchange for their one month of severance pay.

"Since taking control of Twitter just two weeks ago, it seems Elon Musk has worked every day to find new and creative ways to screw over the company's workers," Liss-Riordan said in a statement to Insider. "This emergency motion that we just filed is an effort to protect the employees Twitter is laying off from signing away their rights to get what they are owed by the company."

Case 1:23-cv-00441-CFC Document 21-4 Filed 11/21/22 Page 22 of 68 PageID #: 396 whose defined reports that he med the top executives for cause in order to avoid giving them hefty severance payouts.

Musk did not immediately respond to Insider's request for comment, which was sent afterhours. Twitter's <u>no longer employs</u> its communications department.

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### Lawyer: Musk broke promises to fired Twitter employees

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"Twitter promised employees that after Musk purchased the company, if there were mass layoffs, they would be getting at least as good a severance package as they would have under the previous Twitter administration," Liss-Riordan said Thursday night on NewsNation's CUOMO. "Musk went right in and just threw that promise in the garbage."

Two months are required under the WARN Act, which does not align with what Musk has offered his employees.

"The way Elon Musk did this was was pretty atrocious, just coming in and axing half of the workforce, within days of him taking over the company. And then just unceremoniously breaking the promises that had led many employees to stick with the company, at least to see what was going to happen during these months of uncertainty," Liss-Riordan said.

Liss-Riordan has also sued Uber, FedEx, Starbucks and Tesla. The attorney says Musk didn't give the employees the severance that they had been promised.

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# Ex-Twitter Workers Seek Protective Order From Releases

By **Beverly Banks** · Nov 10, 2022, 8:56 PM EST · Listen to article

Current and former <u>Twitter Inc</u>. workers urged a California federal judge to prevent the social media giant from seeking to bar suits against the company after CEO Elon Musk initiated

#### Case 1:23-cv-00441-CFC Document 21-4 Filed 11/21/22 Page 39 of 68 PageID #: 413

layoffs, adding to their proposed class action claims that the company violated the Worker Adjustment and Retraining Notification Act.

Emmanuel Cornet and four other current and former Twitter workers <u>filed an emergency</u> <u>motion</u> for a protective order on Wednesday to stop the company from sending out separation agreements to workers who were laid off this month. Workers who sign the separation agreements would release Twitter from legal claims.

Lead plaintiffs Cornet, Justine De Caires, Grae Kindel and Jessica Pan were notified of their layoffs earlier this month. Alexis Camacho works remotely for Twitter from Hawaii.

"Plaintiffs urge the court to hear this motion promptly, as they are very concerned that employees may sign away their rights asserted here, without knowing of their rights or that these claims have been brought on their behalf and that there is an avenue for them to pursue them," the workers said Wednesday.

Twitter is giving less severance than employees should receive and workers should have the opportunity to know about this proposed class action, according to the motion. The judge's intervention is necessary because Twitter is not anticipated to notify employees about the proceeding, the plaintiffs said.

The company is planning to send out separation agreements this week and may already have handed out the releases, according to the motion. The current and former workers asked that the judge order any releases "obtained prior to this motion being heard and decided be declared invalid."

The plaintiffs <u>sued Twitter on Nov. 3</u> and followed up with an amended complaint on Tuesday, alleging the company violated the WARN Act and California law by not providing at least 60 days' notice before executing a mass layoff.

Twitter also went back on its promise of offering the same benefits and severance if a layoff happened, according to the <u>amended complaint</u>. The workers also alleged that Twitter went back on its word about the company's remote work policy.

Musk told employees in an email that remote work was no longer available to them. The plaintiffs said remote work was promised after Musk **bought Twitter**.

#### 

"Employees such as Camacho are now subject to harm based upon Musk's sudden abolition of that remote work policy and also have been harmed due to having passed up the opportunity to search for other jobs when the job market was more favorable," according to the amended complaint.

Shannon Liss-Riordan, former Massachusetts <u>attorney general candidate</u> and counsel for the plaintiffs, said workers should not sign the release and that they will take this fight "even individually in arbitration if necessary."

"We believe that these employees are entitled to more severance and benefits than Twitter has said it will offer them and they shouldn't be put in the position of being pressured to sign a release without knowing they have another real option," Liss-Riordan told Law360 in an email Thursday.

Liss-Riordan said it appears that Musk is enforcing the remote work policy to "force these workers to resign and then to deny them the severance pay and WARN Act notice to which they are entitled."

Twitter did not respond to requests for comment.

In Thursday's motion, the plaintiffs compared Musk's handling of the Twitter layoffs to his management of <u>Tesla</u>.

Tesla was hit with <u>a WARN Act suit</u> in June after the company laid off employees over the summer. Liss-Riordan also represented the lead plaintiffs in the Tesla case.

Tesla <u>told a Texas federal judge</u> to deny former workers' bid for an emergency motion to bar the company from handing out separation agreements and nullify ones that were already signed.

U.S. Magistrate Judge Susan Hightower <u>said in a September order</u> that Tesla had to notify former workers about the proposed class action.

"The court finds that any separation agreements issued or executed after plaintiff filed this case may be misleading because they fail to inform potential class members of this lawsuit and the rights that they are potentially giving up under the WARN Act," the judge said.

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Judge Hightower recommended that the Tesla dispute go before an arbitrator.

The five workers bringing the class action are represented by Shannon Liss-Riordan and Thomas Fowler of <u>Lichten & Liss-Riordan PC</u>.

Counsel information for Twitter was not immediately available Thursday.

The case is Cornet et al. v. Twitter Inc., case number <u>3:22-cv-06857</u>, in the <u>U.S. District Court</u> for the Northern District of California.

--Additional reporting by Parker Purifoy and Lauren Castle. Editing by Nick Petruncio.

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Cornet et al v. Twitter, Inc.

**Case Number** 

3:22-cv-06857

**Court** 

California Northern

**Nature of Suit** 

Labor: Other

**Date Filed** 

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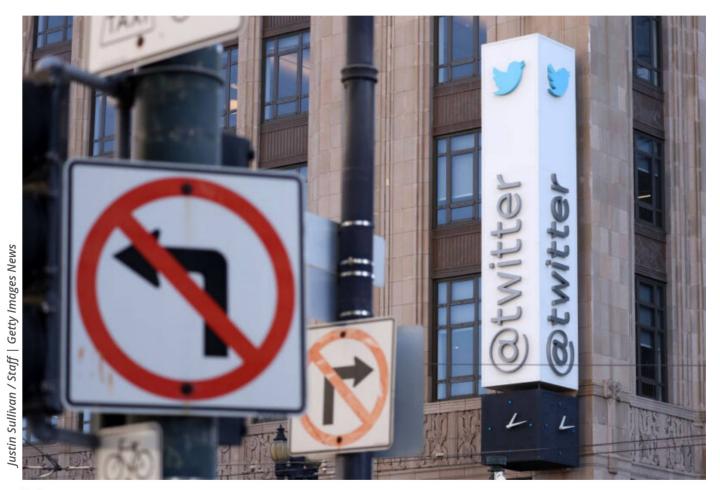
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#### TWO PATHS FOR STAFF LAID OFF —

# Twitter offering some laid-off staff only half what they're owed, lawsuit says

Employees suing asked court to require Twitter to notify staff of lawsuit.

**ASHLEY BELANGER - 11/9/2022, 2:11 PM** 



**Enlarge** 

Before layoffs began at Twitter, employees had already filed a class-action lawsuit alleging that Twitter violated federal and California laws by not giving staff proper notice before termination. This lawsuit was widely reported, but it's still unlikely that every employee affected by layoffs is aware they're eligible to join the lawsuit. That's a problem, according to Shannon Liss-Riordan, the lawyer representing Twitter staff suing, who says that any employee who doesn't join the lawsuit might end up agreeing to a worse separation deal than Twitter originally promised them.

"We have amended our class-action complaint against Twitter," Liss-Riordan told Ars. "Since we originally filed the complaint last Thursday, it has now become clear that Twitter has broken promises to employees."



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According to Liss-Riordan, Twitter told laid-off employees they "would receive the same severance pay and benefits they would have received under Twitter's previous ownership," but it now appears that's not true. Twitter's prior policy was to provide "at least two months' severance (or more, based on years of service), as well as bonuses, equity, and other benefits," Liss-Riordan said, but Musk's Twitter told employees given the official termination date of January 4, 2023, that they would only get one month's severance pay.

"This is a breach of contract; it's unlawful and wrong," Liss-Riordan said.

Liss-Riordan told Ars that Twitter should be required to provide notice to employees of the class-action lawsuit before asking them to sign severance agreements.

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"Most employees don't realize they have rights or a realistic avenue for pursuing their claims," Liss-Riordan said, but in this case, there's already a path. She is prepared to file hundreds or thousands of individual arbitration claims, but she's worried that Musk will instead lock laid-off employees out of arbitration by committing them to separation agreements that could provide lesser value.

Liss-Riordan said that Twitter is expected to send out separation agreements this week. She urges employees not to sign until they've considered the claims already filed on their behalf.

"Twitter needs to stop asking employees to sign away their rights without informing them that they have legal claims and a lawsuit has been filed on their behalf," Liss-Riordan told Ars.

Twitter did not immediately respond to Ars' request for comment.

Twitter has been scrutinized for seemingly attempting to shortchange laid-off staff. Last month, The New York Times reported that the timing of Twitter layoffs—before employees were set to receive stock grants as part of their compensation—could have been a way for Musk to avoid paying grants through layoffs. But Musk has seemed to maintain that Twitter is providing more than adequate compensation. Last week, Musk tweeted that "[e]veryone exited was offered 3 months of severance, which is 50 percent more than legally required."

In addition to supporting claims for laid-off employees seeking promised severance, Liss-Riordan told Ars that employees who were promised remote work, but later were denied that opportunity by Musk, are also eligible to join the class-action lawsuit.

"Many employees stuck with Twitter based on the promise that they could continue working remotely," Liss-Riordan told Ars. "We have also included a claim for employees who relied on promises that have now been broken and did not pursue other job opportunities during these last months of uncertainty."

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Ashley Belanger is the senior tech policy reporter at Ars Technica, writing news and feature stories on tech policy and innovation. She is based in Chicago.

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Footage courtesy of Dvids, Boeing, and The United States Navy.



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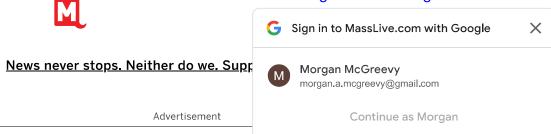
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**Boston** 

### 55 Twitter employees lose jobs in Boston as part of company-wide layoffs

Published: Nov. 07, 2022, 3:07 p.m.

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#### By Ryan Mancini | RMancini@masslive.com

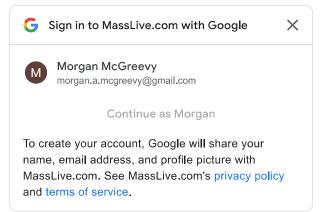
Twitter's layoffs last Friday were felt in Boston's Central Plaza offices, where about 55 employees were reportedly notified of their firing.

The State Dislocated Worker Unit received a letter from Twitter's human resources department confirming 55 Boston employees will be terminated as of Jan. 4, 2023, according to <u>the Boston Globe</u>. Twitter notified staff about their termination via their personal email, whereas employees not at risk of termination were notified via their work email.

The Boston offices previously had about 300 employees, according to the Globe, working in marketing, curation and communications teams, with some working remotely. Besides laying off around 3,700 people, according to TechCrunch, Twitter reversed its own policy by requiring employees to return to working full-time in its offices.

<u>Online News Association</u> board of directors president David Smydra worked at Twitter as a senior lead curator before he was let go. Working out of Boston, <u>he tweeted</u> that since "Powerball is up to \$1.5B... when I win, I can cover Twitter's new debt payments better than Twitter. Shame they let me go."

Medford resident Grae Kindel was among those in Boston who were laid off but is now taking Twitter to court. She and four former employees, represented by attorney and former attorney general candidate Shannon Liss-Riordan, <u>filed a lawsuit claiming Twitter violated California's WARN Act</u>, requiring large employers with over 100 employees to give 60 days' notice before any mass layoffs.



"This is an employer who has a history of thumbing his nose at federal labor laws," Liss-Riordan said to <u>Boston.com</u>.

Liss-Riordan told the Globe that some laid-off employees were set to be paid through Jan. 4, therefore not violating federal labor laws. A list naming the ages of those laid off will be the next thing Liss-Riordan said she will watch for, as this is required under the federal Age Discrimination in Employment Act.

"We will be taking a close look at that data," she said to the Globe. "At tech companies, often older workers bear the brunt of that."

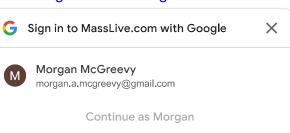
Twitter opened its first office space in 2019, according to the Boston Business Journal.

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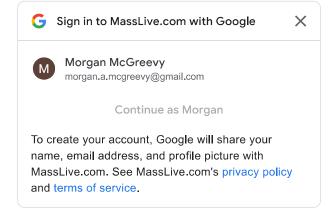
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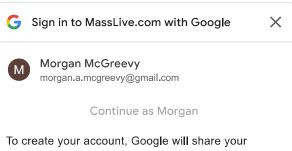
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# Twitter lays off 784 employees at SF Headquarters, as former employees file lawsuit

By Jana Katsuyama | Published November 4, 2022 | Updated November 5, 2022 | Twitter | KTVU FOX 2

#### Mass layoffs underway at Twitter ahead of potential legal fallout

Mass layoffs are underway at Twitter just a week after billionaire Elon Musk took over the company. Former employees simultaneously filed a class-action lawsuit.

**SAN FRANCISCO** - A group of former employees filed a lawsuit, even before the doors opened at <u>Twitter</u> Headquarters Friday. The lawsuit cautioned about violations of California's WARN Act that requires employers with 100 or more full-time employees to provide at least 60 calendar days' notice of a closure or layoff affecting 500 or more employees at a single site of employment.

"I spoke with some employees including one who got laid off on Tuesday with no notice and others who got locked out of their systems last night without any information about what was going on," said Shannon Liss-Riordan, a labor attorney who is representing the former <a href="Twitter">Twitter</a> workers in the lawsuit and has worked on other cases involving Tesla and various tech companies.

Liss-Riordan, said they filed the lawsuit preemptively, to protect any Twitter employees getting layoff notices Friday.

"We're also going to be looking into how the layoffs were selected, whether there was any discrimination or retaliation involved," said Liss-Riordan, "The company would have to release information on the ages of employees who were selected for layoff and not selected for layoff. We look forward to reviewing that data and will be advising employees about their rights."

Case 1:23-cv-00441-CFC Document 21-4 Filed 11/21/22 Page 56 of 68 PageID #: 430

On Friday, strings of messages popped up on Twitter from employee accounts, as people posted farewells on the very platform they'd helped build.

One former employee said the tech team that was researching and building more ethical algorithms on Twitter is gone.

Musk pushed back Friday, trying to reassure advertisers. Several large companies including General Motors, Pfizer, and General Mills decided to pause their ads on the social media platform after Musk acquired the platform.

"Moderation rules and conduct rules have not changed, and we are continuing to enforce them," said Elon Musk.

### SEE ALSO: #LoveWhereYouWorked: Here are some of the people who got laid off from Twitter

In a tweet late Friday afternoon, Musk stated that Twitter's reduction in force was necessary because "there is no choice when the company is losing over \$4M/day."

Musk stated that everyone laid off was offered three months of severance pay.

The company did end up sending a WARN letter to the city of <u>San Francisco</u> Friday, detailing the 784 jobs being cut in San Francisco. Those include 9 senior level officials, 147 mid-level officials, 592 professionals, 11 sales workers and 25 administration workers.

For many of the businesses along mid-market that had struggled from the pandemic, news of the layoffs hit hard.

"There's a lot of small businesses and small restaurants who are struggling right now. So for the local neighborhood I'm hoping people will come back to work. Case 1:23-cv-00441-CFC Document 21-4 Filed 11/21/22 Page 57 of 68 PageID #: 431 we'll see what happens," said San Francisco Supervisor Matt Dorsey.

Dorsey says he had contacted the city's Office of Workforce Development, which was alerting Twitter employees of services available to them.

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Prepared for: Morgan McGreevy

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US Law Week **Lawyer Suing Twitter Over Layoffs Says Musk Trying to Comply (2)** By Josh Eidelson Nov. 4, 2022, 9:43 PM

- Lawsuit comes as new boss plans to eliminate half of workforce
- Musk called a similar, earlier suit by Tesla workers 'trivial'

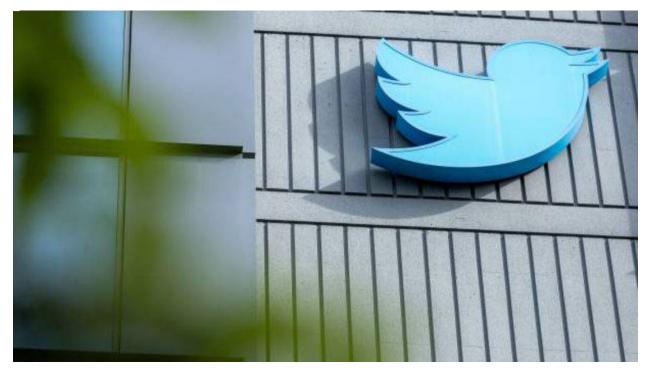
Bloomberg Law News 2022-11-21T22:09:34357516721-05:00 Lawyer Suing Twitter Over Layoffs Says Musk Trying to Comply (2)

#### By Josh Eidelson2022-11-04T22:43:06707-04:00

- 1. Lawsuit comes as new boss plans to eliminate half of workforce
- 2. Musk called a similar, earlier suit by Tesla workers 'trivial'

The lawyer who sued Twitter Inc. "pre-emptively" on the eve of mass layoffs by Elon Musk said she's "pleased" to learn at least some employees will continue being paid until Jan. 4.

Attorney **Shannon Liss-Riordan** said Friday that the billionaire "is making an effort to comply" with the law, less than half a day after she accused the company in a class-action federal lawsuit of violating federal and California statutes restricting companies from mounting mass layoffs on short notice.



Watch: Elon Musk has begun cutting thousands of jobs at Twitter.

Markets: European Close."

Liss-Riordan, who filed a similar lawsuit over June layoffs at Musk's automaker Tesla Inc., said she "will be monitoring the situation" at Twitter to ensure employees receive appropriate notice and compensation.

"I am pleased that Elon Musk learned something from the lawsuit we brought against him at Tesla," she said in an email. "We filed this case preemptively to make sure a repeat of that violation did not happen."

Twitter sent out letters on Friday to regulators in California outlining the layoffs. The Worker Adjustment and Retraining Notification Act, known as WARN, generally requires at least 60 days of advance notice for mass layoffs at large companies.

The company said it was cutting 93 jobs in Los Angeles, 784 in San Francisco and 106 in San Jose. The affected employees will be paid all wages and benefits they are entitled to through Jan. 4, the official termination date, the company said in the letters.

Liss-Riordan said she'd be looking into concerns about how the social media company chose which workers to terminate, and that the worker named as the lead plaintiff in Thursday night's complaint appeared to have been targeted for retaliation when he was laid off Nov. 1.

Employees have been told they will receive a severance agreement next week in which Twitter will ask them to waive any potential claims against it, she said.

The cost for failing to give notice under the WARN Act is limited to 60 days of pay and benefits, plus possible civil fines of as much as \$500 per day for violations, said University of California at Berkeley law professor Catherine Fisk.

"All this can be avoided if the employer gives notice before laying off," Fisk said. But employers may make the calculation that they're better off firing workers and paying the severance tab if they're concerned about possible slacking, sabotage or theft of trade secrets by soon-to-be-former employees, Fisk said.

Tesla hasn't responded to inquiries about the suit, which is still pending.

Twitter on Friday began notifying many employees affected by a far-reaching round of job cuts. Musk plans to get rid of half the workforce, making good on his pledge to slash costs at the platform he acquired for \$44 billion last month, people with knowledge of the matter have said.

Liss-Riordan's lawsuit asks the court to issue an order requiring Twitter to obey the WARN Act, and restricting the company from soliciting employees to sign documents that could give up their right to participate in litigation.



WATCH: Elon Musk plans to eliminate about 3,700 jobs at Twitter Inc., or half of the social media company's workforce, according to people familiar with the matter.

Source: Bloomberg

In Liss-Riordan's Tesla case, the company won a ruling from a federal judge in Austin forcing the workers to pursue their claims in closed-door arbitration instead of in open court. Musk described the Tesla lawsuit as "trivial" during a discussion with Bloomberg Editor-In-Chief John Micklethwait at the Qatar Economic Forum in June.

Liss-Riordan, a veteran Boston-based labor law attorney, gained national prominence suing Uber Technologies Inc. and other gig-economy companies for allegedly exploiting their drivers. She ran unsuccessfully in September's Democratic primary for Massachusetts attorney general.

At Twitter, "We'll be watching the situation to make sure the employees are treated fairly and as the law requires," Liss-Riordan said Friday. "Billionaires are not above the law."

The case is Cornet v. Twitter Inc., 22-cv-06857, US District Court, Northern District of California (San Francisco).

(Updates with WARN notices sent)

--With assistance from **Bob Van Voris**.

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## Boston attorney files lawsuit on behalf of Twitter employees facing layoffs

Updated: 5:04 PM EDT Nov 4, 2022

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**BOSTON** — Boston attorney Shannon Liss-Riordan is filing a class action lawsuit on behalf of several Twitter employees who allege layoffs set for Friday are in violation of labor laws.

The class action lawsuit was filed Thursday in federal court in San Francisco on behalf of one employee who was laid off and three others who were locked out of their work accounts. It alleges that Twitter intends to lay off more employees and has violated the law by not providing the required notice.



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Twitter's new owner Elon Musk told employees they'd receive an email by noon informing them of their job status, but some employees tweeted early Friday that they had already lost access to their work accounts. They and others tweeted messages of support using the hashtag #OneTeam. The email to staff said job reductions were "necessary to ensure the company's success moving forward."

At one point during his \$44-billion dollar acquisition of Twitter, Musk had indicated that he would lay off up to half of the platform's 7,500 employees. Already, the billionaire Tesla CEO fired top executives, including CEO Parag Agrawal, on his first day as Twitter's owner.

#### Case 1:23-cv-00441-CFC Document 21-4 Filed 11/21/22 Page 65 of 68 PageID #: 439

"We were very concerned that he was going to let people go in violation of federal and state laws by not providing them any notice, not providing them the severance and the pay that they're entitled to. So we filed this lawsuit last night preemptively to make sure that employees were on notice and were aware of their rights," Liss-Riordan told NewsCenter 5.

As of Friday, Musk and Twitter had given no public notice of the coming layoffs, according to a spokesperson for California's Employment Development Department. That's even though the Worker Adjustment and Retraining Notification statute requires employers with at least 100 workers to disclose layoffs involving 500 or more employees, regardless of whether a company is publicly traded or privately held.

Liss-Riordan, a former candidate for attorney general of Massachusetts, said Musk previously made similar moves at Tesla.

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Construction worker dead after SUV crashes into Hingham, Massachusetts, Apple store

"We had a case against Elon Musk for layoffs that were conducted at Tesla earlier this year. The layoffs were done without any notice. Employees were immediately asked to sign away all of their rights for a week or two of severance pay, even though the federal and state WARN Act require 60 days severance pay when there is a mass layoff," she said. "This is an employer who has a history of thumbing his nose at federal labor laws."

The layoffs come at a tough time for social media companies, as advertisers are scaling back and newcomers — mainly TikTok — are threatening the older class of social media platforms like Twitter and Facebook.

Case 1:23-cv-00441-CFC Document 21-4 Filed 11/21/22 Page 66 of 68 PageID #: 440

In a tweet sent Friday while employees were learning if they'd lost their jobs, Musk blamed activists for what he described as a "massive drop in revenue" since he took over Twitter late last week. He did not say how much revenue had dropped.

Big companies, including General Motors, General Mills and Audi, have all paused ads on Twitter due to questions about how it will operate under Musk. Volkswagen Group said Friday it is recommending its brands, which include Skoda, Seat, Cupra, Audi, Lamborghini, Bentley, Porsche and Ducati, pause paid activities until Twitter issues revised brand safety guidelines.

Musk has tried to appease advertisers, but they remain concerned about whether content moderation will remain as stringent and whether staying on Twitter might tarnish their brands.

"Twitter has had a massive drop in revenue, due to activist groups pressuring advertisers, even though nothing has changed with content moderation and we did everything we could to appease the activists," he tweeted.

The Associated Press contributed to this report.

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